

FISCAL NOTE

SB 3115 - HB 3039

March 1, 2004

SUMMARY OF BILL:

- Deletes the statutory limitation on the amount of increase in emergency telephone service charges on landline phones that a local emergency communications district may levy.
- Deletes the statutory limitation on the amount of increase in emergency telephone service charges on landline phones that a local emergency communications district may submit to the people of the district for a vote.
- Deletes the authority of the Tennessee Emergency Communications Board to increase the emergency telephone service charge on landline phones.
- Increases from 25% to 40% the percentage received by local emergency communications districts from the revenues generated by the emergency telephone service charge on users of wireless telephone service.
- Requests TACIR to give priority to conducting a comprehensive study of the current laws relative to emergency communications.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures -

\$4,700,000 Recurring / Emergency Communications Fund

\$50,000 One-Time / TACIR

Increase Local Govt. Revenues - \$4,700,000

Currently, 25% (\$8,000,000) of the Emergency Communications Fund is annually distributed to the local emergency communications districts. Under the provisions of this bill, 40% (\$12,700,000) of the Fund will be distributed to local districts. Therefore, it is estimated there will be an increase in state expenditures of \$4,700,000 from the Emergency Communications Fund paid to local emergency communications districts, resulting in a corresponding increase in local government revenues.

Assumes that TACIR will give priority to conducting the comprehensive study requested by the bill. Such study will result in a one-time increase in state expenditures of \$50,000 for TACIR to contract out the study. If the existing staff of the commission were able to give priority to such study and conduct such study in-house, the increase in state expenditures would be less than \$5,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director